

## 4. SUPPORTING THE WORLD'S STRONGEST MILITARY FORCE

*The men and women of our armed forces remain the foundation, the fundamental foundation of our security. You put the steel into our diplomacy. You get the job done when all means short of force have been tried and failed.*

President Clinton  
May 1995

America's defense capability is the bulwark that sustains and supports its foreign policy.

- Only when U.S. forces were about to land could our negotiators convince an unwelcome dictatorship to leave Haiti; we then reinstalled the rightful democratically-elected leader and, in the process, stemmed the large-scale migration from Haiti to our borders.
- With Iraq once again threatening Kuwait, we moved quickly to send additional forces to the region, averting another crisis.
- We saved hundreds of thousands of lives by employing our military forces in humanitarian efforts in Rwanda.
- Finally, the resolve shown in the NATO air campaign and the promise of U.S. military involvement in securing a peace was pivotal in bringing the warring factions in Bosnia to the negotiating table and achieving the Dayton Peace Accord; U.S. forces are now leading the cooperative NATO effort to enforce that agreement.

Because the United States must lead, and our forces must prevail when called to fight in a world of new post-Cold War threats, the budget proposes to continue sustaining and modernizing the world's strongest, best-trained, best-equipped, and most ready military force.

The budget continues the Administration's defense funding plan, supporting our military forces with quality of life improvements and the best technology we can develop. The budget also supports the President's commit-

ment to arms control and to reducing the dangers of nuclear weapons at home and abroad.

### **Sustaining a Strong Military Capability**

U.S. military forces must deter our adversaries and reassure our friends and allies that America is prepared to use force to defend its interests.

When committed to combat, U.S. forces must win decisively. They must be highly ready and armed with the best equipment that technology can provide. They must be prepared and trained for the new threats of the post-Cold War era, many of which know no national borders: the proliferation of weapons of mass destruction; ethnic and regional conflicts that undermine stability; and terrorism and drug trafficking, which directly threaten our free and open society.

Today, the United States is the only nation with the logistics, mobility, intelligence, and communications capabilities required to conduct large-scale, effective military operations on a global basis. Coupled with our unique position as the preferred security partner in many regions, our military capability provides a foundation for regional stability through mutually beneficial partnerships. Our willingness and ability to play a leading role in defending common interests help ensure that we retain a strong leadership position in the world.

The budget builds upon the Administration's policy of the last three years—sustaining and modernizing the world's strongest and

**Table 4-1. MILITARY FORCE TRENDS**

	1989 Cold War	1997	Target Force
<b>Active Forces:</b>			
Army Divisions .....	18	10	10
Navy Aircraft Carriers <sup>1</sup> .....	16	11	11
Navy Air Wings .....	13	10	10
Navy Surface Combatants and Attack Submarines .....	287	192	161-171
Marine Divisions and Air Wings .....	3	3	3
Air Force Tactical Wings .....	25	13	13
<b>Reserve Forces:</b>			
Army Combat Brigades .....	57	42	42
Navy Air Wings .....	2	1	1
Navy Aircraft Carrier .....	0	1	1
Other Navy Ships .....	26	17	15
Marine Divisions/Air Wings .....	1	1	1
Air Force Tactical Wings .....	12	7	7
<b>Nuclear Deterrent: <sup>2</sup></b>			
Intercontinental Ballistic Missiles .....	1,000	580	500
Ballistic Missile Submarines (Missiles) .....	32 (576)	17 (408)	14 (336)
Bombers .....	359	174	86
<b>Mobility Forces:</b>			
Strategic Airlift Aircraft .....	431	389	283
Sealift Ships <sup>3</sup> .....	162	152	149
<b>Military Personnel (in thousands):</b>			
Active Forces .....	2,130	1,457	1,418
Guard and Reserve Forces .....	1,171	901	893

<sup>1</sup> Includes one non-deployable training carrier in 1989.

<sup>2</sup> Assumes START II ratification and entry into force. Does not include 95 B-1 bombers dedicated to conventional missions in 2002 or in the Target Force.

<sup>3</sup> Includes ships in the Ready Reserve Force maintained by the Department of Transportation but funded by DOD.

most ready military force, capable of prevailing with our regional allies in two nearly simultaneous regional conflicts. The budget maintains our commitment to high levels of training and readiness for that force and equipping it with technology second to none (see Table 4-1).

### **Providing Budget Levels that Ensure a Strong Defense**

For programs in the National Defense function (050), the budget proposes 1997 discretionary funding of \$255.1 billion in budget authority and \$259.4 billion in outlays. This overall function includes the activities of the Department of Defense-Military (051), Atomic Energy Defense Activities (053), and other Defense-Related Activities (054).

Table 4-2 shows budget authority and outlay levels for these functions through 2002.

For Department of Defense (DOD) military functions (051), the budget proposes \$243.4 billion in budget authority and \$248.3 billion in outlays for 1997. After 1997, the budget reflects the impact of lower estimates of inflation, offset by the planned increases needed to modernize our military forces. DOD funding would roughly keep pace with inflation through 1999, then increase slightly faster than inflation through the rest of the five-year planning period.

The budget continues the Administration's defense funding plan of the last three years, which provides for a careful resizing of our

**Table 4-2 FUNDING SUMMARY FOR NATIONAL DEFENSE**

(Discretionary funding, in billions of dollars)

	1995 Actual	1996 Estimate	Proposed					
			1997	1998	1999	2000	2001	2002
<b>Department of Defense-</b>								
<b>Military (051):</b>								
Budget Authority .....	257.4	252.6	243.4	248.9	255.0	262.4	270.3	277.3
Outlays .....	261.2	255.3	248.3	244.7	247.3	254.6	257.3	265.6
<b>Atomic Energy Defense</b>								
<b>Activities (053):</b>								
Budget Authority .....	10.1	10.6	10.9	10.0	9.1	8.2	9.4	10.6
Outlays .....	11.7	10.2	10.5	10.2	9.3	8.4	8.8	9.9
<b>Other Defense Related</b>								
<b>Activities (054):</b>								
Budget Authority .....	0.4	0.7	0.8	0.4	0.3	0.3	0.3	0.4
Outlays .....	0.7	0.9	0.6	0.6	0.5	0.5	0.5	0.6
<b>Total National Defense</b>								
<b>(050):</b>								
Budget Authority .....	267.9	263.9	255.1	259.3	264.4	270.9	280.0	288.3
Outlays .....	273.6	266.4	259.4	255.5	257.1	263.5	266.6	276.1

military forces, ensures full support in the near term for military readiness and quality of life, and provides properly for modernizing our forces as new technology comes on line later in the decade.

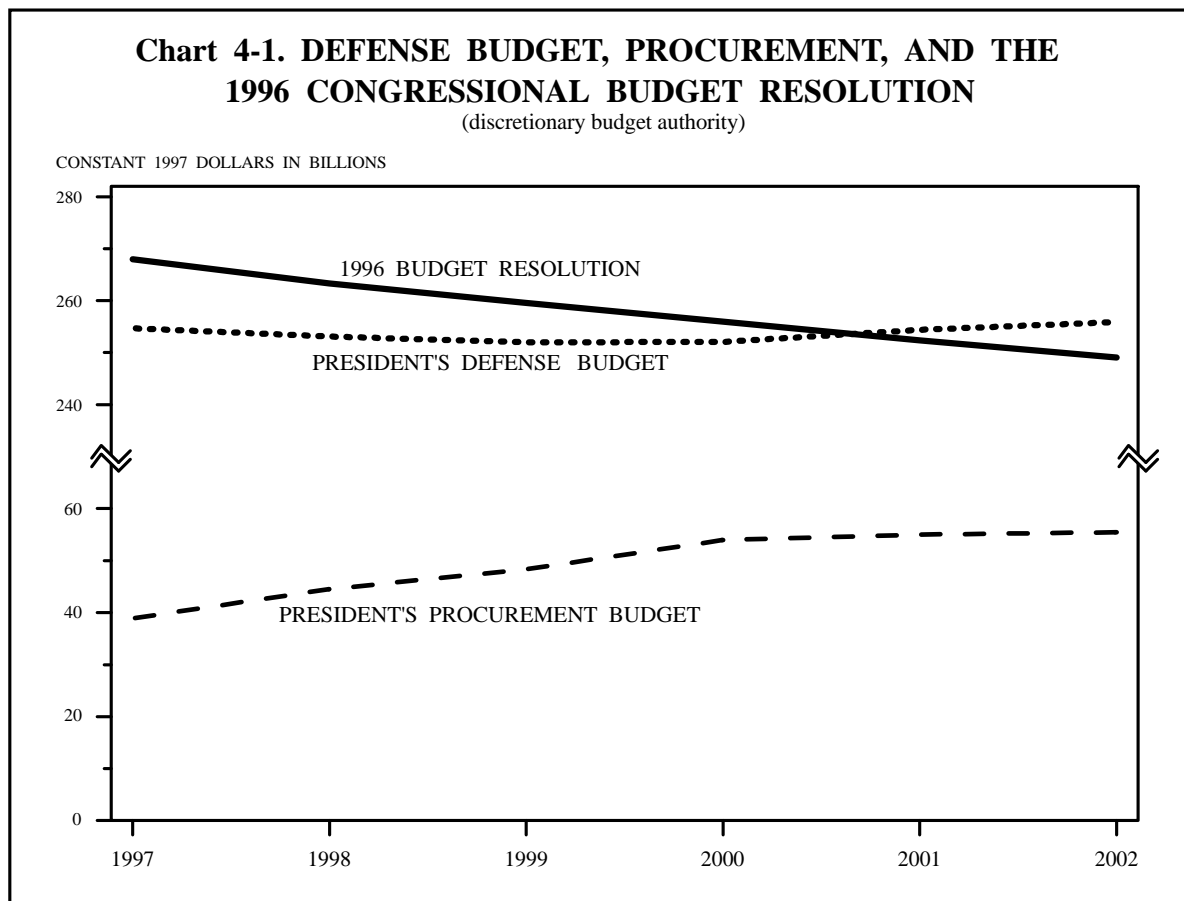
We have carefully recalibrated this defense plan over the past three years in response to experience and events. Reflecting the findings of a 1993 review of previously assumed but unrealized savings, we increased the 1994 defense budget. As pay levels rose, we adjusted defense budgets accordingly. In December 1994, we added \$25 billion to our long-term defense plan to provide for readiness and quality of life initiatives and for real growth in 2000 and 2001 to purchase new military hardware.

The President's plan is a rational, careful approach to defense funding. By contrast, in 1996 Congress provided \$7 billion more than the Administration requested, principally for military hardware programs that the services have said they do not need or had planned to request later.

These additional funds mean that, overall, 1996 funding for DOD military functions is higher than the 1997 proposed level—and observers might take that to mean that most programs funded in 1996 would face cuts in 1997. This is not the case. Congress added funding for programs in 1996 that do not require funding in 1997.

As Chart 4-1 shows, our 1997 request returns defense funding to a plan that makes sense, providing increases for modernization at the end of the decade when new technologies become available. By contrast, the congressional plan provides funds for older technologies early, then falls well below the Administration's budget plan at the turn of the century—just as the newer defense technologies for which the military forces are planning will begin production.

Because the President believes that Congress added funds last year for many unnecessary projects, the budget proposes to rescind or cancel some 1996 defense resources.



### Modernizing Our Military Forces

***Relating Procurement to the Total Defense Budget:*** A key objective of the Administration's defense funding plan is to modernize our military hardware.

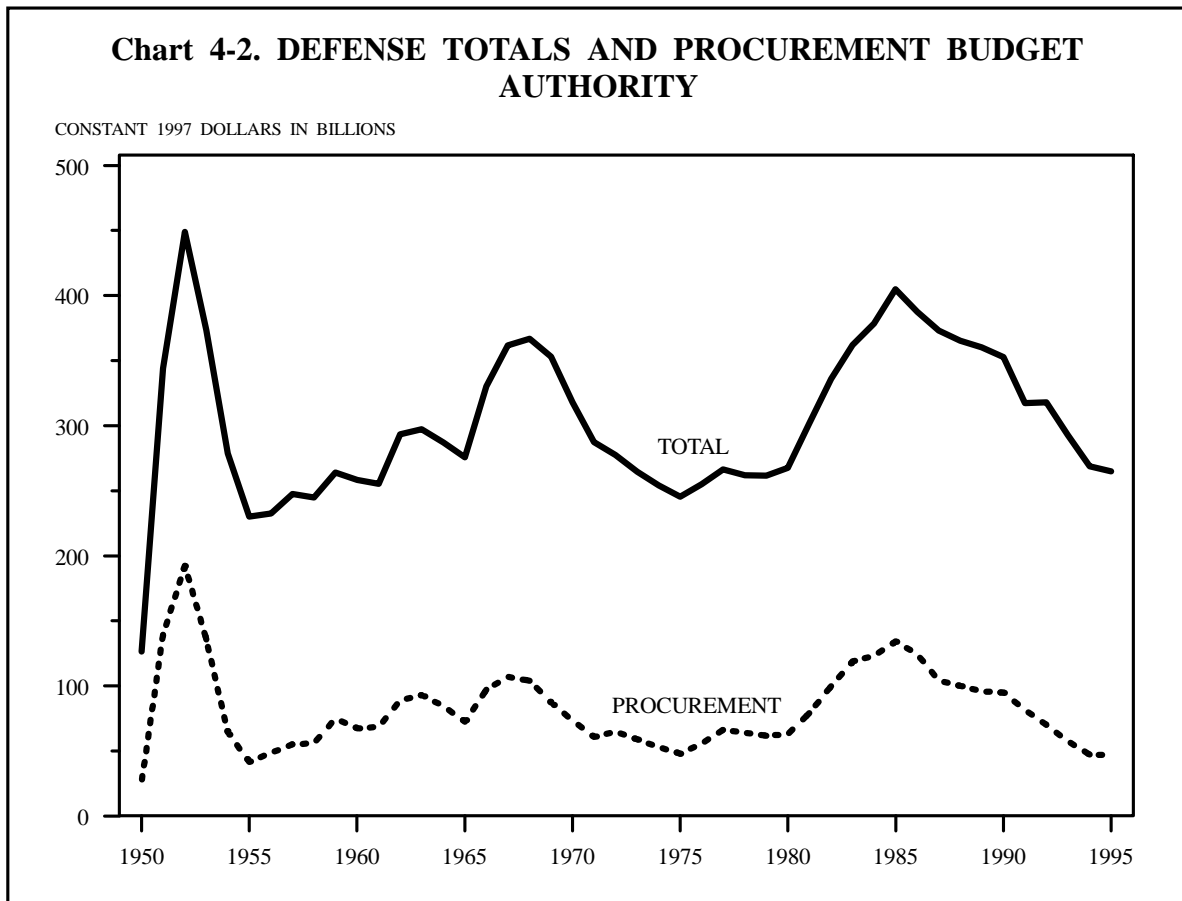
As Chart 4-2 shows, historical changes in procurement funding coincide with changes in total defense funding. In the late 1970s and early 1980s, as the defense budget rose, the President and Congress invested more and more in equipment. These investments funded a wide range of systems (such as fighter aircraft, attack submarines, and armored vehicles) and provided the backbone of today's modern force.

The equipment that the Government bought then is now aging and must be modernized to include the latest technological advances. For example, the average age of Air Force fighter and attack aircraft is about 10 years today, but will grow to around 20 years

by 2010. When complex military equipment ages, it becomes costlier and more difficult to maintain and operate. Most important of all, the decisive technological advantage that superior equipment provides means few casualties and the quick, successful resolution of conflict. For all these reasons, modernization is a high priority.

***Providing Modernization Funding:*** The Administration proposes \$314 billion from 1997 to 2002 for procurement, so that procurement funding would grow by 42 percent in real terms over the period. Important modernization programs in production would continue, including DDG-51 guided-missile destroyers, the C-17 strategic airlift aircraft, and standoff precision munitions like the Joint Standoff Weapon.

In 1997, low-rate production of Marine Corps V-22 tilt rotor aircraft and the Navy's multi-role F/A-18E/F fighter would begin. Modernization funding would grow in 1998 and



1999 with initial procurement of the Navy's New Attack Submarine and low-rate production of the Air Force's F-22 Advanced Tactical Fighter. Full-rate production of the V-22, F/A-18E/F, and the F-22 would occur at the turn of the century.

***Providing Modernization for the Long-Term:*** The budget proposes large investments in research and development for advanced systems that will enter production in the middle of the next decade. The Air Force, Navy, and Marine Corps are developing a Joint Strike Fighter as a cost-effective replacement for today's tactical fighter and attack aircraft. Other major weapons in development include the Army Comanche helicopter, a new surface ship for the Navy, and an advanced amphibious-assault vehicle for the Marine Corps.

#### **Ensuring the Nation's Security**

***Achieving Arms Control:*** The President's policy of stressing arms control to reduce threats from weapons of mass destruction was

rewarded by an overwhelming Senate vote for ratification of the START II treaty. Following approval by the Russian Republic, implementation of this seminal treaty, together with the START I Treaty that took effect in December 1994, will bring warheads deployed on long-range missiles and bombers by the former Soviet Union to a third of the Cold War level. By reducing weapons levels on both sides, and by banning land-based missiles with multiple warheads, START II will make the world a much safer place.

To reinforce our arms control efforts, the budget proposes \$3.3 billion for a wide range of programs to blunt threats posed by the global proliferation of nuclear, biological, and chemical weapons.

***Reducing Weapons of Mass Destruction in the Former Soviet Union (FSU):*** The Cooperative Threat Reduction program (also known as the Nunn-Lugar program) has contributed greatly to U.S. security. Nunn-Lugar

assistance increased the safety and speed with which states of the FSU have dismantled their nuclear weapons. The budget proposes \$328 million to continue this important program in 1997.

***Countering Proliferation of Weapons of Mass Destruction:*** The budget proposes nearly \$500 million to develop capabilities to locate and neutralize weapons of mass destruction before they can be used, and to protect U.S. troops against their effects. High-priority efforts include developing the means to identify and destroy underground storage sites, and the methods to detect and track weapons shipments. To protect troops against chemical and biological agents, key efforts include developing advanced detection devices, vaccines, and protective clothing.

***Developing and Deploying Defenses Against Tactical Ballistic Missiles:*** The Administration's Theater Missile Defense (TMD) program is designed to defeat existing and future ballistic missile threats around the world. With over \$2 billion in proposed funding (more than two-thirds of the total budgeted for ballistic-missile defense), TMD would provide defenses against those missiles that directly threaten American and allied ground, naval, and air forces deployed abroad. Funding for TMD supports development, as soon as possible, of an advanced version of the Army's Patriot missile and the Navy's Lower-Tier System, as well as the development of more advanced systems to meet future threats.

***Developing Options to Defend Against Strategic Ballistic Missiles:*** The budget proposes \$500 million for a vigorous program to develop the central elements of a national missile defense system that could be used to protect the United States. Although the Administration does not believe that such a system is needed now, the development of a contingency capability continues to ensure that deployment could proceed rapidly—if a missile threat emerges sooner than our intelligence community estimates. A decision to force early deployment would not only waste billions of dollars, it would force adoption of immature technologies that would not likely provide an effective defense.

***Maintaining Stewardship Over Our Nuclear Capability:*** The unifying mission of

the Department of Energy's (DOE) defense activities is to reduce the global nuclear danger. DOE does this by:

- supporting and maintaining a safe, secure, reliable, and smaller nuclear weapons stockpile without explosive testing of nuclear weapons;
- dismantling excess nuclear weapons;
- providing technical leadership for national and global nonproliferation efforts; and
- reducing the environmental, safety, and health risks from current and former facilities in the nuclear weapons complex.

The budget proposes \$10.9 billion for DOE spending on defense activities, a \$230 million increase from the 1996 enacted level. Funding for stewardship and management of the nuclear weapons stockpile would rise by \$250 million, to \$3.7 billion, reflecting the President's commitment to provide sufficient funding for this program next year and over the next decade. The increase is designed to help maintain the safety and reliability of the nuclear weapons stockpile under a comprehensive test ban treaty, which the Administration hopes to complete and sign in 1996.

***Undertaking Successful Contingency Operations:*** U.S. forces are engaged in contingency operations around the world that support American interests and demonstrate international leadership—from monitoring U.N. sanctions on Iraq, to supporting the return to democracy in Haiti, to playing a key role in the NATO-led military force implementing the Dayton Peace Accord in Bosnia and Herzegovina. The budget includes funding for ongoing contingency operations in Southwest Asia, and Bosnia and Herzegovina, to help ensure that we protect force readiness. If Congress approves these funds, and no unexpected new costs arise, DOD can avoid redirecting funds from operations and maintenance programs, thereby maintaining its high level of readiness.

In the 1996 Defense Appropriations Act, Congress funded a portion of the costs of contingency operations in Southwest Asia. The remaining unfunded contingency operations costs, stemming mostly from operations

in Bosnia and Herzegovina, total \$2.2 billion. A reprogramming of savings from lower-than-expected inflation can fund nearly half of these costs. Another \$620 million is included in a supplemental appropriations request. The Administration submitted these proposals to Congress early this year and plans to submit a second reprogramming to fund the balance of the Bosnia and other contingency costs.

***Establishing Information Dominance:*** Information is power. U.S. preeminence in information technology helps us to field the world's premier military force. The Administration's goal is to continue advances in information technology to support military operations and our national security strategy.

Intelligence is critical to information dominance and it continues to play a large role in military operations and national security decision-making. This year's intelligence budget is guided by explicit intelligence priorities that the President established for the post-Cold War era. We have realigned funds within national and tactical intelligence to better cover the President's top priorities, such as support to military operations and counter-proliferation. The intelligence budget also realigns funds to achieve a better balance between collecting and analyzing information.

A new initiative—the Global Broadcast System—exemplifies the Administration's drive for information dominance. DOD is adapting commercial, direct-broadcast, digital TV technology to provide real-time logistics, weather, and intelligence information to military forces. Commanders equipped with terminals as small as 18 inches would receive instantaneous, secure, high-data-rate information to out-smart, out-maneuver, and out-fight any opponent.

#### **Maintaining the Readiness of Our Forces**

***Ensuring Adequate Resources for Readiness:*** The Administration's top defense priority continues to be maintaining the readiness and sustainability of our military forces. The budget provides full funding for operations and support programs critical to sustaining the military's current high readiness levels. These programs include unit training activities, recruiting and retention programs, joint exercises,

and equipment maintenance activities. The Administration also proposes funding for humanitarian assistance programs.

DOD has embarked on several initiatives to improve the assessment of current and future military readiness. Of particular note are the Senior Readiness Oversight Council and the Joint Monthly Readiness Review process. These initiatives enhance DOD's ability to ensure that critical readiness programs receive sufficient resources and that our forces remain prepared to accomplish their missions.

***Enhancing Quality of Life for Our Military Personnel:*** The Administration continues to strongly back programs that directly, or indirectly, support military readiness. Our armed forces have been extremely successful in attracting and retaining motivated, high-quality personnel in part because of the Administration's continuing strong commitment to fund quality of life programs. For example, the budget provides military personnel a three percent military pay raise, effective January 1997, and substantial funding to upgrade and improve military barracks and family housing.

#### **Managing our Defense Resources More Efficiently**

***Implementing Base Closure and Realignment:*** Since 1988, four Base Closure and Realignment Commissions have recommended the closure of 97 out of 495 major military installations and over 200 smaller installations—about 20 percent of our defense infrastructure. The projected annual savings of \$5.8 billion by 2001 would help fund, in part, the modernization of our military forces. To ensure that the Government reaps these savings, the budget proposes increases for 1997–2000 to fully fund the implementation of final recommendations of the 1995 Base Closure and Realignment Commission.

***Improving Financial Management:*** The Administration remains committed to reforming DOD's financial management and accounting systems. DOD's progress includes developing and implementing standard financial systems for civilian payroll, military retirement, transportation, and debt management. Significantly, DOD has cut the category known as problem disbursements from \$51 billion in 1993 to \$22 billion in 1995.

The Administration is committed to implementing the Chief Financial Officers Act in order to ensure that DOD can produce auditable financial statements. In addition, DOD will continue to pursue the most cost-effective solutions to its finance and accounting needs, which may include contracting out some functions.

***Streamlining the Civilian Workforce:*** DOD plans to continue streamlining its civilian workforce while maintaining the quality of its workers. The budget reflects a cut of over 208,000, or 22 percent, of DOD civilian positions from 1993 to 1999. Consistent with the principles of the Vice President's National Performance Review, DOD is cutting headquarters, procurement, finance, and administrative staffs.

***Implementing the Government Performance and Results Act (GPRA):*** DOD continues to incorporate performance evaluation into

its decision-making for such broad-based issues as weapons purchases, transportation methods, and inventory control. It has designated seven programs (including the Defense Logistics Agency and Air Combat Command) as demonstration projects to provide a guide to implementing GPRA fully.

***Using the Private Sector for Support Functions:*** The Commission on Roles and Missions of the Armed Forces (CORM) recommended that, to save money, DOD use the private sector for a number of support functions. In August 1995, the Deputy Secretary of Defense established an Integrated Policy Team for Privatization, which includes senior representatives from the military departments, defense agencies, and the Secretary's staff. They will look for opportunities, identify obstacles, and develop solutions and strategies to support the CORM recommendation. The budget provides funds to accomplish these goals.